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75 Days to Comprehensive Regulatory Overhaul

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Trade Policy Monitoring

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Report Highlights:

Canada's Safe Food for Canadians Regulations enter into force on January 15, 2019. Many provisions will apply on day one, while certain provisions will be phased in over longer periods – up to 30 months after entry into force. The Canadian Food Inspection Agency website contains extensive information on upcoming regulatory changes and timelines.

Keywords: Canada, CA18061, SFCR, Food Safety, Regulation

The <u>Safe Food for Canadians Regulations</u> (SFCR) enter into force on January 15, 2019. FAS/Canada strongly recommends that all U.S. companies currently doing business in Canada consult their business partners regarding possible impacts of SFCR on their business operations. Companies evaluating business opportunities in Canada should become familiar with <u>SFCR</u> requirements as they develop prospective business plans.

Overview

Canada published the final SFCR text on June 13, 2018. Please refer to FAS/Canada GAIN Report CA18040 for additional information.

The Canadian Food Inspection Agency (CFIA) is the federal government authority responsible for implementing the SFCR. CFIA maintains a <u>comprehensive website</u> to help businesses and stakeholders better understand and to ensure compliance with the new SFCR requirements.

Three key elements are mandatory for businesses and represent the foundation of Canada's new food safety regulatory environment:

- Licensing
- Preventive controls (including the requirement to have a Preventive Control Plan), and
- <u>Traceability</u> (including the requirement to have food recall procedures in place).

Businesses can use the <u>Getting started: Toolkit for businesses</u> and the <u>glossary of key terms</u> to better familiarize themselves with the SFCR requirements. CFIA recommends businesses sign up with <u>My CFIA</u>, a web-tool dedicated to facilitating interactions between CFIA and companies, including requests for licenses, permits, registrations and various certificates.

Importer of Record

CFIA provides <u>detailed information</u> on their website for businesses that are the importer of record in Canada. Most of these importers are companies with a physical presence in Canada. However, some importers of record in Canada are foreign companies without a physical presence in Canada – a category referred to as "non-resident importers" (NRIs). If an NRI complies with all other relevant SFCR requirements (such as <u>licensing</u>, <u>preventive controls</u> and <u>traceability</u>), then an NRI may be the importer of record on export shipments to Canada, provided that the NRI has a fixed place of business in a country that:

- has an inspection system that has been recognized by Canada, if the imported food is a meat product or live or raw shellfish, or
- has a food safety system that has been determined to provide at least the same level of protection
 in relation to that food as that provided by Canada, if the imported food is not a meat product or
 live or raw shellfish, and
- provided that the food is sent directly to Canada from such a country.

The United States meets the requirements listed above.

Requirements and Timelines

Companies should consult <u>CFIA's interactive tools</u> to learn more about the various requirements (for <u>licensing</u>, <u>preventive controls</u>, and <u>traceability</u>) and about <u>when the requirements enter into force</u> for different food categories.

For foods such as fish, meat, poultry, dairy, eggs, fresh and processed fruits and vegetables, honey and maple products, most of the new requirements (including <u>licensing</u>, <u>preventive controls</u> and <u>traceability</u>) come into force on January 15, 2019.

For other <u>foods</u> (e.g., confectionary, snack foods, beverages, oils, dried herbs and spices, nuts and seeds, coffee and tea, or processed grain-based foods such as baked goods, cereals and pasta) and for certain categories of businesses, some of the SFCR requirements will be phased in over a longer period of up to 30 months (July 15, 2021). However, in general, the new requirements for "other foods" come into force on July 15, 2020.

Certain SFCR provisions (such as licensing and preventive controls) do not apply to:

- an imported food additive,
- an imported alcoholic beverage that contains more than 0.5 percent absolute ethyl alcohol by volume, or
- an imported unprocessed food meant to be further prepared in Canada listed in Schedule 1 of the Regulations, and that
 - o is unprocessed and is intended to be manufactured, processed or treated for use as a grain, oil, pulse, sugar or beverage,
 - o has a label applied or attached to it, or accompanying it, that bears the expression "For Further Preparation Only" or "pour conditionnement ultérieur seulement", and
 - o is not a consumer prepackaged food.

Businesses can use the <u>Getting started: Toolkit for businesses</u> and the <u>glossary of key terms</u> to better familiarize themselves with the SFCR requirements. The CFIA recommends businesses sign up with <u>My CFIA</u>, a web-tool dedicated to facilitating interactions between CFIA and companies, including requests for licenses, permits, registrations and various certificates.